

Analysis of Budget Request

Appropriation: A28 - Cash Operations

Funding Sources: 360 - Towing & Recovery - Cash

The Towing & Recovery Board was established under Arkansas Code Annotated §27-50-1203 to regulate Arkansas' towing industry. The Board is responsible for promulgating and administering rules and regulations for the industry, establishing licensing, insurance and safety equipment requirements for towing and related services and establishing tow truck safety requirements for vehicles utilized for commercial purposes. The Board issues towing business licenses and tow vehicle safety permits, assesses late filing fees, and investigates allegations of violations. Funding is derived from fees levied on towing businesses.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay increases. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency requests a change level of \$4,284 each year of the biennium in Operating Expenses for miscellaneous technical services and an office server for completion of final phase of the office database. The database will allow greater efficiency of personnel and staff time through centralized tow company files and automation of some services. It will generate renewal notices and other correspondence with minimal input from staff; complaints, complaint resolutions, and hearings and hearings resolutions will be included in the database. This automation will allow staff to process more quickly and be more responsive to operators and the general public. The database is referenced in the State IT plan under Major Applications for FY13, FY14 and FY15.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

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Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	88,288	87,341	91,660	87,441	89,045	89,045	87,441	89,045	89,045
#Positions		3	3	3	3	3	3	3	3	3
Extra Help	5010001	3,739	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
#Extra Help		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	32,359	33,002	32,480	33,797	34,150	34,150	33,797	34,150	34,150
Operating Expenses	5020002	42,667	42,840	42,840	47,124	47,124	47,124	47,124	47,124	47,124
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	6,156	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		173,209	180,383	184,180	185,562	187,519	187,519	185,562	187,519	187,519
Funding Sources										
Fund Balance	4000005	191,793	222,032		230,504	230,504	230,504	210,273	208,316	208,316
Cash Fund	4000045	203,448	188,855		165,331	165,331	165,331	165,331	165,331	165,331
Total Funding		395,241	410,887		395,835	395,835	395,835	375,604	373,647	373,647
Excess Appropriation/(Funding)		(222,032)	(230,504)		(210,273)	(208,316)	(208,316)	(190,042)	(186,128)	(186,128)
Grand Total		173,209	180,383		185,562	187,519	187,519	185,562	187,519	187,519

The FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 biennium.